

Financially Yours,

Your Daily Electronic Market Report

LEBANESE EUROBONDS

USD	Coupon	Maturity	Bid	Offer	Bid Yield	Offer Yield	Duration	Mduration	Frq
7.5 Lebanon Mar 12	7.500	19/03/2012	104.250	105.250	3.728	2.876	1.11	1.09	2
9 1/8 Lebanon Mar 13	9.125	12/03/2013	110.625	111.250	3.907	3.621	1.95	1.91	2
9 Lebanon May 14	9.000	02/05/2014	113.750	114.750	4.449	4.145	2.90	2.83	2
5.875 Lebanon Jan 2015	5.875	15/01/2015	104.000	105.000	4.761	4.491	3.62	3.54	2
8.50 Lebanon Aug 15	8.500	06/08/2015	115.000	116.000	4.787	4.561	3.79	3.71	2
8 1/2 Lebanon Jan 16	8.500	19/01/2016	115.000	116.000	5.065	4.856	4.24	4.14	2
9 Lebanon Mar 17	9.000	20/03/2017	118.750	119.750	5.384	5.211	4.87	4.74	2
6.375 Lebanon Mar 20	6.375	09/03/2020	103.750	104.750	5.838	5.700	6.96	6.76	2
8 1/4 Lebanon Apr 21	8.250	12/04/2021	115.875	116.875	6.135	6.015	7.22	7.00	2
7 Lebanon Dec 2024	7.000	03/12/2024	102.750	103.750	6.691	6.582	9.10	8.80	2

EMERGING MARKETS - EUROBONDS

USD	Coupon	Maturity	Bid	Offer	Mid Yield
DAR AL-ARKAN INT	10.750	18/02/2015	99.085	99.535	10.958
REP OF SRI LANKA	8.250	24/10/2012	107.400	108.750	3.478
PETROLEOS MEXICA.	6.000	05/03/2020	107.700	107.700	4.941
TAQA ABU DHABI	6.600	01/08/2013	108.359	108.609	3.088
ADCB F. CAYMAN	4.750	08/10/2014	101.816	102.316	4.143
PET. VENEZUELA	5.250	12/04/2017	58.279	58.779	16.007
ORASCOM	7.875	08/02/2014	95.500	95.500	9.609
REP.VENEZUELA	8.500	08/10/2014	84.500	85.250	13.828
CELL C PTY LTD	11.000	01/07/2015	104.000	105.000	9.726
BANCO DO BRASIL	4.500	22/01/2015	103.973	104.473	3.364
DOLPHIN ENER.LTD	5.888	15/06/2019	108.125	108.125	4.705

BEIRUT STOCK EXCHANGE as 13/01/2011

Name	Price	\$Change	%Chg	P/E 06	Div Yield
Byblos bank	1.85	0.00	0.00%	6.38	0.05
Byblos bank Prty	1.85	0.00	0.00%	6.38	0.07
Byblos bank GDR	89	0.00	0.00%	-	-
Byblos bank Pref 08'	103	0.50	0.49%	-	-
Byblos bank Pref 09'	102.5	0.00	0.00%	-	-
Audi (GDR)	8.98	0.18	2.05%	1.23	0.22
Blom (GDR)	10.6	-0.20	-1.85%	0.90	0.34
Solidere A	18.5	-0.23	-1.23%	16.71	0.05
Solidere B	18.5	-0.22	-1.10%	16.71	0.05
Holcim	17.00	0.00	0.00%	6.28	0.05
Casino	490	0.00	-	-	-

Benchmark	Maturity	Yield
US TREASURY	2 YEARS	0.589
	5 YEARS	1.901
	10 YEARS	3.295
	30 YEARS	4.493
EUR BUND	2 YEARS	1.117
	5 YEARS	2.218
	10 YEARS	3.033
	30 YEARS	3.501

Equity Indices	Price	% Change
NASDAQ Comp	2735.29	-0.07%
NASDAQ 100	2305.20	0.10%
DJI	11731.9	-0.20%
S&P 500	1283.76	-0.17%
Nikkei	10589.76	0.73%
SMI	6562.47	-0.78%
CAC 40	3974.83	0.75%
DAX	7075.11	0.09%
FTSE	6023.88	-0.44%
Euronext 100	713.78	0.29%

Arab Indices	Price	%Change
BLOM Stock Index .BLSI	1484.902	-0.25%
SAUDI All Share .SASI	6701.28	0.00%
Doha Stock Market .QSI	9221.16	0.00%
Kuwait SE .KWSE	6948.4	0.00%
Abu Dhabi SE .ADI	2739.84	0.00%
Egyptian .CASE30	7128.96	0.00%
Dubai FM Gen Id .DFMGI	1627.79	0.00%
Morocco CFG 25	6983.36	13.26%
Bahrain .BAX	1426.76	2.55%

Tracker Underlying	Last Price	% Change
FXI China	44.56	-0.29
EWG Germany	24.40	0.99
EWJ Japan	11.15	-0.09
EWY Korea	62.34	-0.75
EWT Taiwan	15.70	-0.36
EWZ Brazil	77.40	-1.58
IIF India	24.69	-2.37
RNE Eastern Europe	19.36	-0.10
TKF Turkey	17.28	1.29
GLD Gold	134.05	-1.04
USO Oil	38.65	-0.87

Byblos Bank Deposits	Rates
USD*	
1 months	1.75%
3 Months	1.75%
6 Months	1.80%
1 Year	1.80%
*Benchmark amount 100-200 thds	
LBP*	
1 months	5.00%
3 Months	5.00%
6 Months	5.15%
1 Year	5.15%
*Benchmark amount 100-300 Millions	

Commodities	Price	%Change
Gold / Oz	1386.90	0.09%
Silver / Oz	29.25	-0.95%
Palladium / Oz	811.40	0.69%
Platinum / Oz	1818.60	1.15%
Copper/ Lbs	436.70	-0.80%
Aluminum / Lbs	113.00	0.00%
Coffee / Lbs	235.65	0.00%
Cocoa EUR / 100 Kg	3041.00	0.00%
Wheat / Tone	876.25	1.98%
Soybean / Bsh	1410.00	0.07%
Wti / Bbl	91.14	-0.72%
Brent	98.70	-0.21%

Libor USD	Rate
1 months	0.26
3 Months	0.30
6 Months	0.46
1 Year	0.78
Libor EUR	Rate
1 months	0.70
3 Months	0.93
6 Months	1.18
1 Year	1.47

FX Rates	Bid	Ask	Hi	Lo
USD / LL	1499	1504		
Euro	1.334	1.3343	1.3366	1.3323
JPY	82.53	82.54	82.83	82.49
GBP	1.5834	1.5838	1.5848	1.5823
CHF	0.9634	0.9639	0.9651	0.9635
CAD	0.9894	0.9901	0.9904	0.9887
AUD	0.9962	0.9967	0.9993	0.9952

Key Economic Calendar		
Data	Date	Forecast
US		
Retail Sales	14-JAN-11	0.80%
Michigan Sentiment	14-JAN-11	N/A
Euroland / Japan		
EZ Inflation	14-JAN-11	0.60%

REGIONAL MARKET

Lebanon's BLOM stock index fell 0.25 percent to 1484.902 points. Solidere A fell 1.23 percent to \$18.50 and its B fell 1.10 percent to \$18.50. Byblos Bank S.A.L. common remained unchanged at 1.85 and its priority share remained unchanged too at 1.85.

Lebanon's central bank will ensure that the country's currency remains stable and the government stays solvent after the ruling coalition collapsed on Wednesday,

Governor Riad Salameh said. The central bank has kept the Lebanese pound at about 1500 to the dollar for more than 10 years, ensuring that higher interest rates attract a steady flow of funds into the country. The bank has the resources needed to defend that policy, with foreign currency reserves of \$30.8 billion as of Jan. 11, and another \$12.7 billion in gold, Salameh said.

TOP FX NEWS

The euro fell for the first time in five days against the dollar after an International Monetary Fund official said Europe has yet to allay investor "skepticism" about the sustainability of the region's debt. The currency dropped versus 14 of its 16 major peers as the IMF's Deputy Managing Director Naoyuki Shinohara said Europe needs to "tackle structural issues" such as boosting growth. The yen rose for the first time in four days against the euro on speculation Japan's exporters took advantage of the biggest drop in six weeks to buy it. Australia's dollar headed for its largest weekly loss versus the yen since November as the worst floods in Queensland in 50 years tempered the economic outlook. The euro declined to \$1.3335 as in London from \$1.3364 yesterday, when it touched \$1.3383, the highest level since Jan. 4. Japan's currency climbed to 110.16 per euro from 110.67 yesterday, when it fell 1.5 percent, the most since Dec. 1. The yen rose to 82.61 per dollar from 82.81, after earlier reaching 82.49, the strongest since Jan. 5. Europe's currency also weakened after the Financial Times reported, without attribution, that the Central Bank of Ireland will today disclose the level of support it's giving to the Irish banking industry. Ireland agreed to a European Union-led bailout in November after losses at its banks became too big for the country to handle alone. The Irish yield premium over benchmark 10-year German bonds declined to 525 basis points yesterday from 531 basis points on Jan. 12 and from a record 680 points on Nov. 30. A basis point is 0.01 percentage point.

USD/JPY

Res: 83.15/83.50/83.70

Sup: 82.47/82.28/81.88

EUR/USD

Res: 1.3383/1.3435/1.3500

Sup: 1.3307/1.3250/1.3201

GBP/USD

Res: 1.5885/1.5911/1.5949

Sup: 1.5815/1.5780/1.5719

GOLD

Res: 1388.1/1392.4/1397.0

Sup: 1370.4/1366.0/1364.4

EUROLAND

European stocks declined from a 28-month high as a larger-than-forecast increase in U.S. initial jobless-benefit claims overshadowed gains by banks after Spain and Italy sold bonds. Nestle SA, the world's biggest food company, fell 3 percent on analyst downgrades. Dixons Retail Plc slumped 10 percent after saying earnings will probably be "around the bottom end" of estimates. Commerzbank AG lost 1.2 percent after announcing a capital increase. Banco Santander SA and Banco Bilbao Vizcaya Argentaria SA, Spain's largest banks, climbed as demand increased at an auction of the nation's debt. The benchmark Stoxx Europe 600 Index fell 0.6 percent to 284.04 at the 4:30 p.m. close of trading in London. The measure climbed to the highest level since September 2008 yesterday amid speculation the European Union will increase its efforts to contain the region's debt crisis. The Bank of England also kept its key rate unchanged at 0.5 percent. Nestle sank 3 percent to 52.05 Swiss francs, dragging a measure of food and beverage shares to the biggest drop in five months. The company was downgraded to "reduce" from "buy" at Nomura Holdings Inc. and to "underperform" from "buy" at BofA Merrill Lynch Global Research. Dixons sank 10 percent to 21.35 pence, the lowest price since July 2009. Pretax profit before items in fiscal 2011 is likely to be 100 million pounds (\$157.6 million) to 110 million pounds, the U.K.'s largest consumer-electronics retailer said. Tesco Plc fell 4.3 percent to 405.55 pence, the largest drop since April 2009, after Britain's biggest retailer reported holiday sales growth that missed estimates, saying that snow kept Britons from visiting out-of-town supermarkets. Commerzbank retreated 1.2 percent to 5.57 euros. Germany's second-biggest bank plans to boost capital by buying back debt as it prepares for new European banking rules. It is funding the purchase by selling as much as 632 million euros (\$843 million) of new shares to investors. Aurubis AG slid 8 percent to 42.10 euros as Europe's biggest copper smelter said it will use parts of its authorized capital to issue 4.08 million new shares, excluding shareholders' subscription rights. Tenaris SA plunged 6.3 percent to 17.35 euros amid speculation the world's biggest maker of seamless steel tubes for oil and gas extraction is warning fourth-quarter results may be weaker than estimated. SAP AG rallied 3.5 percent to 40.40 euros after the world's largest maker of business-management software said software and software-related service sales beat its own forecast. Provident Financial Plc jumped 11 percent to 999.5 pence.

US MARKETS

U.S. stocks fell, sending benchmark indexes lower for the first time in three days, as jobless claims climbed more than economists estimated and concern about a slowdown in Chinese demand dragged down commodity producers. Alcoa Inc. and ConocoPhillips dropped at least 2.1 percent following a decline in commodities prices after the World Bank said China may raise interest rates further. Merck & Co. slid 6.6 percent, the biggest drop in the Dow Jones Industrial Average, as a trial for a blood-thinner drug was halted. Bank of America Corp. fell 1.5 percent after the lender was removed from Citigroup Inc.'s "Top Picks Live" list. The Standard & Poor's 500 Index retreated 0.2 percent to 1,283.76 in New York after Wednesday rising to the highest since August 2008. The Dow average decreased 23.54 points, or 0.2 percent, to 11,731.90. Stocks fell as Labor Department data showed that initial jobless claims rose by 35,000 to 445,000 in the first week of the year. The median estimate in a Bloomberg News survey called for 410,000 filings. The average number of applications over the past four weeks, a less-volatile gauge, increased to 416,500. Other government reports showed the trade deficit unexpectedly narrowed and wholesale inflation excluding food and energy matched economists' forecasts. China has considerable scope to raise interest rates further, Vikram Nehru, the World Bank's chief economist for East Asia and the Pacific, said today. Economic growth in the country will weaken to 8.7 percent this year from 10 percent in 2010, the World Bank said last night. China increased borrowing costs by 0.25 percentage point on Dec. 25. Alcoa, the largest U.S. aluminum producer, slid 3 percent to \$15.75. Houston-based oil producer ConocoPhillips decreased 2.1 percent to \$67.26. Health-care companies had the second-biggest decline in the S&P 500 among 10 industries, dropping 0.5 percent. Merck slid 6.6 percent to \$34.69. Studies of the

company's anti-clotting drug vorapaxar, a product analysts said may generate \$5 billion in sales, were halted for patients with a previous stroke, potentially limiting its use. Financial stocks fell as Bank of America dropped 1.5 percent to \$14.77. Citigroup said that near-term performance could be affected by "noise" from mortgage-repurchase issues and expectations that 2011 earnings estimates are "too high." On average, analysts surveyed by Bloomberg estimate adjusted profit of \$1.47 a share for Bank of America in 2011. MSCI Inc. slumped 7.5 percent, the most since October 2009, to \$36.75. Chief Financial Officer David Obstler said he expects profit-margin growth to slow after the developer of investment indexes and analytics reported fourth-quarter earnings excluding some items of 36 cents a share, in line with the average analyst estimate in a Bloomberg survey. Intel Corp. put-options trading jumped to the highest in 10 years before the world's largest chipmaker's quarterly earnings report, scheduled for after the close of U.S. exchanges. Almost 324,000 puts to sell the stock changed hands as of 4 p.m. in New York, seven times the four-week average. Intel forecast first-quarter sales that may exceed analysts' estimates, as companies spend on new computers. Revenue will range from \$11.1 billion to \$11.9 billion, Santa Clara, California-based Intel said today in a statement. That compares with the \$10.7 billion average of analysts' projections compiled by Bloomberg. The shares, which dropped 0.1 percent to \$21.29 during regular trading, rallied 1.2 percent to \$21.55 in the after-hours market at 4:34 p.m. in New York. Deere & Co. rose 2.3 percent to \$89.47. The largest farm- equipment maker was raised to "overweight" from "neutral" at JPMorgan. The 12-month share-price estimate is \$100. Micron Technology Inc. jumped 3.1 percent to \$9.63.

EMERGING-MARKETS

Brazil's Bovespa stock index fell for the first time in four days, retreating from a two-month high, as traders increased bets for higher interest rates and U.S. jobless claims rose more than forecast. The Bovespa index slipped 1.3 percent to 70,721.44 at the close of trading in Sao Paulo at 3:15 p.m. New York time. Forty-eight stocks fell on the index while 21 rose. Brazil's real climbed 0.1 percent to 1.6726 per dollar.

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